

808 KAR 9:040. Customer account transfers.

RELATES TO: KRS 286.9-010, 286.9-100

STATUTORY AUTHORITY: KRS 286.9-090

NECESSITY, FUNCTION, AND CONFORMITY: KRS 286.9-090 authorizes the commissioner to promulgate administrative regulations for the enforcement of subtitle KRS 286.9. This administrative regulation establishes that licensees may only use electronic debits of customer accounts in collection efforts if there is nonpayment by the customer's bank or other financial institution of the customer's check.

Section 1. In connection with a deferred deposit transaction, a licensee shall deposit or present for payment a customer's actual check to the customer's bank or other financial institution unless that check is redeemed or bought back by the customer.

Section 2. Upon nonpayment by the customer's bank or other financial institution of the customer's actual check, a licensee may use electronic debits of customer accounts in its collection efforts. (30 Ky.R. 525; Am. 868; eff. 10-31-2003; TAm eff. 5-2-2007; 45 Ky.R. 2202, 2911; eff. 5-3-2019.)